GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5071
ANSWERED ON:20.04.2001
CBI RAIDS ON JEWELLERS
BALIRAM;NARESH KUMAR PUGLIA

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn towards the news-item captioned `50 karor ke sona ghotala mein CBI chhape` appearing in Dainik Jagran, on March 27, 2001;

(b) if so, the details of assets alongwith the designation and department of persons indulged in the said scam; and

(c) the details of action taken/proposed to be taken by the Government against guilty officers/jewel/bank offcials?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATH) :

(a) Yes. Sir.

(b) and (c) Reserve Bank of India (RBI) has informed that it has come to its notice thatsome banks had to face difficulties in realization of Pay Orders issued by certain co-operative banks tendered by bullion traders in Ahmedabad. RBI has no information about the quantum of gold involved in the transactions. However, likely loss to State Bank of India, Bank of Indiaand Standard Chartered Bank is Rs. 39.70 crores, 4.80 crores and 9.30 crores respectivelyRBI has advised all the banks authorised to import gold that while they are required to ensure normal banking prudence in respect of all financial instruments, in the context of trading in bullion they should release gold only against full realization of value or proceeds of instruments. In respect of gold sold on unfixed basis, banks were advised to collect 100 per cent margin in cash for the provisional value of gold and a suitable additional margin to take care of likely price fluctuations and transactions in such cases should be settled within 5 days. The State Bank of India has reported that they have lodged an FIR with the Central Bureau of Investigation. Banks will also be taking action against officials found.